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Things You Should Know About...WORK-AT-HOME SCHEMES

Work-at-home schemes appeal to many people. Ads for work such as stuffing envelopes and making craft items promise consumers they will net hundreds of dollars a month for an investment of just a few dollars. However, these offers are usually scams that cost consumers time and money.

How Do These Schemes Work

Typically, interested consumers must send money to get details about work-at-home promotions. Dollars sent by hundreds of interested consumers to companies for further information or a training manual ensure that the promoter will make a good profit.

The consumer, however, rarely comes out on top. With many of the schemes, you end up receiving worthless information or a copy of the same advertisement you responded to with instructions on how to use it to con other people.

Protect Yourself

Use caution before you send money for any work-at-home offer. It is often difficult to determine the truthfulness of the promoter's literature and statements about issues such as estimated income and potential work-at-home employers. Additionally, be suspicious of testimonials made by people who say they've made lots of money through work-at-home plans-these testimonials are often part of the scam.

Before you spend money on a work-at-home offer, ask for the following information. If the representative seems unwilling or unable to answer your questions, don't do business with the company.

- What does the job involve? What steps will I have to go through? What tasks will I have to complete?
- How and when will I be paid? Who will pay me?
- How much will I have to pay for the work-at-home program, including costs for supplies, equipment, training, and other fees?
- What specific standards must my work meet?

Common Work-at-Home Schemes

Stuffing Envelopes

This is one of the most common work-at-home schemes. Promoters lure you by promising large paychecks in return for your services and a small initial fee. More often than not, however, all you get for your money is an outdated list of companies that are supposedly interested in having you stuff or address envelopes. In reality, the companies cited in these lists are usually not interested in your services or no longer exist.

Creating Homemade Craft Items

Promotions for homemade craft items also promise a big profit for a small investment of time and money. Usually, you are asked to send money to a company for craft kits you assemble at home.

The company agrees ahead of time to buy back the finished product from you at an attractive price. However, regardless of the quality of your work, the company often judges your goods inferior and refuses to pay.

Processing Medical Insurance Claims

This scheme also requires you to invest your time and money-this time to buy costly computer software and pay for expensive training. You will probably be told that a “central computer” will deliver your work to customers and insurance companies. Typically, however, you will have a hard time finding any customers and there will be no central computer to process your work.

Establishing a Mail Order Business

Con artists promote the mail order business as a way to successfully get quick, easy money. For a “small fee,” you will receive catalogs, instructions, and shoddy products that will “ensure your success.” However, no one can truthfully promise that you will make quick, easy money with the mail order business-or any other new business, for that matter.

Remember...Get-rich-quick schemes are almost always scams. If you want to be successful, work hard and use your head.

Better Business Bureau

www.bbb.org

Federal Trade Commission

www.ftc.gov

Office of the Illinois Attorney General

www.ag.state.il.us

Chicago

(800) 386-5438

TTY: (800) 964-3013

Springfield

(800) 243-0618

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